GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1290
ANSWERED ON:25.07.2016
Bilateral Investment Treaties
Rao (Avnthi) Shri Muthamsetti Srinivasa;Reddy Shri Ch. Malla

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India proposes to renegotiate all its Bilateral Investment pacts and to replace them with new Bilateral Investment Treaties;

(b) if so, the details and the present status thereof along with the pacts which are proposed to be replaced;

(c) whether the new Model of the Bilateral Investment Treaty will provide stability to foreign investors and prevent disputes with Multi-National Companies and if so, the details thereof?

(d) whether India and the United States (US) have decided to speed up the talks for long ending Bilateral Investment Treaty and if so, the details thereof;

(e) whether the U.S. is pushing India to wrap up the talks when the second round of annual Strategic and Commercial Dialogue (S&CD) takes place or when the next round of Trade Policy Forum takes place this year in New Delhi and if so, the details thereof and;

(f) whether the U.S. wants India to accede to a treaty similar to the FTA signed with Japan and Korea and if so, the details thereof along with the steps taken by the Government to protect the indigenous industries in the country?

Answer

???????? ??? ?????? ???????????? (????????? ??????)(??????? ??????? ???????)
THE MINISTER OF STATE (INDEPENDENT CHARGE)
OF THE MINISTRY OF COMMERCE & INDUSTRY
(SHRIMATI NIRMALA SITHARAMAN)

(a): Yes Madam. India proposes to renegotiate all those Bilateral Investment pacts whose initial validity has expired and to replace them with new Bilateral Investment Treaties (BITs).

(b): Out of the total 83 treaties signed by India so far, 58 treaties are being terminated. The notices have been sent to the respective Governments through the diplomatic channel.

(c): The new Indian Model Bilateral Investment Treaty text is aimed at providing appropriate protection to foreign investors in India and Indian investors in the foreign country, in the light of relevant International precedents and practices, while maintaining a balance between the investor's rights and the Government obligations.

(d): Technical discussions with the US side have been continuing on the basis of the revised Model Bilateral Investment Treaty (BIT) text.

(e): No Madam.

(f): Yes Madam. USA has expressed its desire to sign a treaty similar to the FTA signed with Japan & Korea. However, Japan and Korea FTAs were signed based on earlier Model Bilateral Investment Treaty (BIT) text of India which has since been revised and all discussions now also being done on the basis of the new Indian Model Bilateral Investment Treaty (BIT) text.

****